

CASE NAME: CIRCUIT CITY STORES, INC. LIQUIDATING TRUST	ACCRUAL BASIS
CASE NUMBER: 08-35653	
JUDGE: KEVIN R. HUENNEKENS	

EASTERN DISTRICT OF VIRGINIA

RICHMOND DIVISION

MONTHLY OPERATING REPORT

QUARTER: APRIL 1, 2011 TO JUNE 30, 2011

IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I  
DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING  
MONTHLY OPERATING REPORT (ACCRUAL BASIS-1 THROUGH ACCRUAL BASIS-7) AND  
THE ACCOMPANYING ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE  
DOCUMENTS ARE TRUE, CORRECT AND COMPLETE. DECLARATION OF THE PREPARER  
(OTHER THAN RESPONSIBLE PARTY): IS BASED ON ALL INFORMATION OF WHICH  
PREPARER HAS ANY KNOWLEDGE.

RESPONSIBLE PARTY:

/s/ CATHERINE W. BRADSHAW  
ORIGINAL SIGNATURE OF RESPONSIBLE PARTY

CATHERINE W. BRADSHAW  
PRINTED NAME OF RESPONSIBLE PARTY

SENIOR TRUST MANAGER  
TITLE

SEPTEMBER 15, 2011  
DATE

PREPARER:

/s/ ANN P. PIETRANTONI  
ORIGINAL SIGNATURE OF PREPARER

ANN P. PIETRANTONI  
PRINTED NAME OF PREPARER

REPORTING, HR & LANDLORD CLAIMS MGR  
TITLE

SEPTEMBER 15, 2011  
DATE

CASE NAME: CIRCUIT CITY STORES, INC. LIQUIDATING TRUST

ACCRUAL BASIS-1

CASE NUMBER: 08-35653

## BALANCE SHEET

UNAUDITED

*(amounts in thousands)*

6/30/2011

### ASSETS

#### ASSETS

Cash and cash equivalents	405,466
Receivables, net	290,623
<b>TOTAL ASSETS</b>	<b>696,089</b>

### LIABILITIES AND STOCKHOLDERS' EQUITY

#### LIABILITIES

Claims	1,986,686
Accrued payroll taxes	84
Accrued trust expenses	2,083
<b>TOTAL LIABILITIES</b>	<b>1,988,853</b>
Liabilities in excess of assets	(1,292,764)
<b>TOTAL LIABILITIES</b>	<b>696,089</b>

CASE NAME: CIRCUIT CITY STORES, INC. LIQUIDATING TRUST	
CASE NUMBER: 08-35653	

ACCRUAL BASIS-2

## INCOME STATEMENT

UNAUDITED

*(Amounts in thousands)*

4/1/2011 - 6/30/2011

Operating expenses	(7,479)
Interest income	80
Net gain from settlements and Court orders	36,789
Income before income taxes	29,390
Income tax benefit	162
<b>Net income</b>	<b>29,552</b>

**CASE NAME: CIRCUIT CITY STORES, INC. LIQU ACCRUAL BASIS-2**

**CASE NUMBER: 08-35653**

## **INCOME STATEMENT**

**UNAUDITED**

*(Amounts in thousands)*

**11/1/2010 - 6/30/2011**

Operating expenses	(18,192)
Interest income	222
Net gain from settlements and Court orders	<u>115,859</u>
Income before income taxes	97,889
Income tax benefit	<u>205</u>
<b>Net income</b>	<b><u>98,094</u></b>

CASE NAME: CIRCUIT CITY STORES, INC. LIQUIDATING TRUST	ACCRUAL BASIS-3
CASE NUMBER: 08-35653	

## CASH RECEIPTS AND DISBURSEMENTS

*(amounts in thousands)*

	<u>4/1/2011 - 6/30/2011</u>
Cash flows from operations:	
Cash contribution to the Trust	\$            -
Cash receipts	14,464
Cash payments for professional fees	(3,767)
Cash payments for claims	(17,714)
Other operating cash payments	(2,538)
Net cash used in operating activities	<u>\$            (9,555)</u>
Decrease in cash and cash equivalents	\$            (9,555)
Cash and cash equivalents at beginning of period	<u>415,021</u>
Cash and cash equivalents at end of period	<u><u>405,466</u></u>

CASE NAME: CIRCUIT CITY STORES, INC. LIQUIDATING TRUS	ACCRUAL BASIS-3
CASE NUMBER: 08-35653	

## CASH RECEIPTS AND DISBURSEMENTS

*(amounts in thousands)*

11/1/2010 - 6/30/2011

### Cash flows from operations:

Cash contribution to the Trust	\$ 469,381
Cash receipts	27,567
Cash payments for professional fees	(11,756)
Cash payments for claims	(74,795)
Other operating cash payments	(4,931)
Net cash provided by operating activities	\$ 405,466

Increase in cash and cash equivalents	\$ 405,466
Cash and cash equivalents at beginning of period	0
Cash and cash equivalents at end of period	<u><u>\$ 405,466</u></u>

CASE NAME: CIRCUIT CITY STORES, INC. LIQUIDATING TRUST	ACCRUAL BASIS-4
CASE NUMBER: 08-35653	

ACCOUNTS RECEIVABLE AGING	SCHEDULE AMOUNT	QUARTER	QUARTER	QUARTER
		6/30/2011	3/31/2011	12/31/2010
1. 0-30		10,202,033	2,006,894	2,760,572
2. 31-60		-	-	-
3. 61-90		-	-	-
4. 91+		657,376,537	733,713,038	777,336,569
5. TOTAL ACCOUNTS RECEIVABLE	\$ 667,578,570	\$ 735,719,932	\$ 780,097,141	
6. AMOUNT CONSIDERED UNCOLLECTIBLE	376,955,315	416,859,314	450,865,857	
7. ACCOUNTS RECEIVABLE (NET)	\$ 290,623,255	\$ 318,860,618	\$ 329,231,284	

AGING OF POSTPETITION TAXES AND PAYABLES		QUARTER: 4/1/2011 - 6/30/2011				
TAXES PAYABLE	0-30 DAYS	31-60 DAYS	61-90 DAYS	91+ DAYS	TOTAL	
1. FEDERAL	\$ 73,366	\$ -	\$ -	\$ -	\$ 73,366	
2. STATE	10,708	-	-	-	-	10,708
3. LOCAL	-	-	-	-	-	-
4. OTHER	-	-	-	-	-	-
5. TOTAL TAXES PAYABLE	\$ 84,074	\$ -	\$ -	\$ -	\$ 84,074	
6. CLAIMS	\$ -	\$ -	\$ -	\$ 1,986,685,740	\$ 1,986,685,740	
ACCRUED TRUST EXPENSES	\$ 2,082,758	\$ -	\$ -	\$ -	\$ 2,082,758	

STATUS OF POSTPETITION TAXES		QUARTER: 4/1/2011 - 6/30/2011			
		BEGINNING TAX LIABILITY*	AMOUNT WITHHELD AND/ OR ACCRUED	AMOUNT PAID	ENDING TAX LIABILITY
<b>FEDERAL</b>					
1. WITHHOLDING**		\$ -	\$ 188,159	\$ (138,259)	\$ 49,900
2. FICA-EMPLOYEE**		-	40,003	(30,034)	9,969
3. FICA-EMPLOYER**		-	53,409	(39,912)	13,497
4. UNEMPLOYMENT		-	-	-	-
5. INCOME		-	-	-	-
6. OTHER (ATTACH LIST)		-	-	-	-
7. TOTAL FEDERAL TAXES		\$ -	\$ 281,571	\$ (208,205)	\$ 73,366
<b>STATE AND LOCAL &amp; OTHER</b>					
8. WITHHOLDING		\$ -	\$ 46,005	\$ (35,297)	\$ 10,708
9. SALES		-	-	-	-
10. EXCISE		-	-	-	-
11. UNEMPLOYMENT		-	-	-	-
12. REAL PROPERTY		-	-	-	-
13. PERSONAL PROPERTY		-	-	-	-
14. OTHER		-	-	-	-
15. TOTAL STATE & LOCAL & OTHER		\$ -	\$ 46,005	\$ (35,297)	\$ 10,708
16. TOTAL TAXES		\$ -	\$ 327,576	\$ (243,502)	\$ 84,074

\* The beginning tax liability should represent the liability from the prior month or, if this is the first operating report, the amount should be zero.

\*\* Attach photocopies of IRS Form 6123 or your FTD coupon and payment receipt to verify payment or deposit.

CASE NAME: CIRCUIT CITY STORES, INC. LIQUIDATING TRUST  
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ACCRUAL BASIS-5

The debtor in possession must complete the reconciliation below for each bank account, including all general, payroll and tax accounts, as well as all savings and investment accounts, money market accounts, certificates of deposit, government obligations, etc. Accounts with restricted funds should be identified by placing an asterisk next to the account number. Attach additional sheets if necessary.

QUARTER: 4/1/2011 - 6/30/2011

BANK RECONCILIATIONS		Account #1	Account #2	Account #3	TOTAL
A. BANK:	see APPENDIX B				
B. ACCOUNT NUMBER:					
C. PURPOSE (TYPE):					
1. BALANCE PER BANK STATEMENT					
2. ADD: TOTAL DEPOSITS NOT CREDITED					
3. SUBTRACT: OUTSTANDING CHECKS					
4. OTHER RECONCILING ITEMS					
5. MONTH END BALANCE PER BOOKS					\$ 405,465,987
NUMBER OF LAST CHECK WRITTEN					

INVESTMENT ACCOUNTS		DATE OF PURCHASE	TYPE OF INSTRUMENT	PURCHASE PRICE	CURRENT VALUE
BANK, ACCOUNT NAME & NUMBER					
7.					
8.					
9.					
10.					
11. TOTAL INVESTMENTS				\$ -	\$ -

CASH		
12. CURRENCY ON HAND		\$ -
13. TOTAL CASH - END OF MONTH		\$ 405,465,987



CASE NAME: CIRCUIT CITY STORES, INC. LIQUIDATING TRUST  
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ACCURAL BASIS-6

QUARTER: 4/1/2011 - 6/30/2011

**PAYMENTS TO INSIDERS AND PROFESSIONALS**

OF THE TOTAL DISBURSEMENTS SHOWN FOR THE MONTH, LIST THE AMOUNT PAID TO INSIDERS (AS DEFINED IN SECTION 101(31) (A)-(F) OF THE U.S. BANKRUPTCY CODE) AND TO PROFESSIONALS ALSO, FOR PAYMENTS TO INSIDERS, IDENTIFY THE TYPE OF COMPENSATION PAID (e.g. SALARY, BONUS, COMMISSIONS, INSURANCE, HOUSING ALLOWANCE, TRAVEL, CAR ALLOWANCE, ETC.). ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSIDERS			
NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
1.			
2.			
3.			
4.			
5.			
<b>6. TOTAL PAYMENTS TO INSIDERS (1)</b>			

PROFESSIONALS						
NAME**	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID	
1. Akerman Senterfitt LLP			\$ 54,695	\$ 145,998	\$ 97,316	
2. Alfred H. Siegel, Liquidating Trustee			116,275	289,888	-	
3. Arsene Taxand			9,119	60,845	-	
4. Bates White LLC			-	-	270,879	
5. Crowe Horwath LLP			315,700	942,228	233,385	
6. Ernst & Young LLP			-	28,095	-	
7. FTI Consulting, Inc.			-	188,321	-	
8. Gowling Lafleur Henderson LLP			-	135,279	-	
9. Kelley Drye & Warren LLP			557,194	1,005,069	286,207	
10. KPMG LLP			-	9,070	25,000	
11. Kurtzman Carson Consultants LLC			195,938	1,243,464	-	
12. McDermott Will & Emery LLP			17,603	17,603	88,766	
13. McGuire Woods, LLP			-	147,023	47,772	
14. Pachulski, Stang, Ziehl & Jones			2,238,049	6,187,435	686,569	
15. PricewaterhouseCoopers LLP			71,080	279,065	-	
16. Protiviti			-	145,996	-	
17. Ridberg Aronson LLC			-	-	4,341	
18. Skadden, Arps, Slate, Meagher & Flom, LLP			77,266	483,074	-	
19. Sullivan & Worcester LLP			1,386	7,359	420	
20. Susman Godfrey LLP			3,951	13,462	3,662	
21. Tavenner & Beran, PLC			75,810	370,450	320,499	
22. US Bankruptcy Trustee			32,600	51,450	-	
23. WilmerHale			-	4,581	15,600	
<b>TOTAL PAYMENTS TO PROFESSIONALS</b>			\$ 3,766,666	\$ 11,755,755	\$ 2,080,416	

\* INCLUDE ALL FEES INCURRED, BOTH APPROVED AND UNAPPROVED

\*\* REVISED TO INCLUDE ADDITIONAL PROFESSIONALS

**POSTPETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS**

NAME OF CREDITOR	SCHEDULED QUARTERLY PAYMENTS DUE	AMOUNTS PAID DURING QUARTER	TOTAL UNPAID POSTPETITION
1. Leases	\$ 23,848	\$ 23,848	\$ (2)
2.			
3.			
4.			
5.			
<b>6. TOTAL</b>	<b>\$ 23,848</b>	<b>\$ 23,848</b>	<b>\$ (2)</b>

(1) Other than salary, fees and benefit payments made in the ordinary course of business and reimbursements for business expenses, no payments have been made to insiders during the reporting period.

(2) The post-petition amounts due under rejected store leases are now included in administrative claims on the balance sheet.

CASE NAME: CIRCUIT CITY STORES, INC. LIQUIDATING TRUST  
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ACCRUAL BASIS-7

QUARTER 4/1/2011 - 6/30/2011

QUESTIONNAIRE

	YES	NO
1. HAVE ANY ASSETS BEEN SOLD OR TRANSFERRED OUTSIDE THE NORMAL COURSE OF BUSINESS THIS REPORTING PERIOD?		X
2. HAVE ANY FUNDS BEEN DISBURSED FROM ANY ACCOUNT OTHER THAN A DEBTOR IN POSSESSION ACCOUNT?	X	
3. ARE ANY POSTPETITION RECEIVABLES (ACCOUNTS, NOTES, OR LOANS) DUE FROM RELATED PARTIES?		X
4. HAVE ANY PAYMENTS BEEN MADE ON PREPETITION LIABILITIES THIS REPORTING PERIOD?	X	
5. HAVE ANY POSTPETITION LOANS BEEN RECEIVED BY THE DEBTOR FROM ANY PARTY?		X
6. ARE ANY POSTPETITION PAYROLL TAXES PAST DUE?		X
7. ARE ANY POSTPETITION STATE OR FEDERAL INCOME TAXES PAST DUE?		X
8. ARE ANY POSTPETITION REAL ESTATE TAXES PAST DUE?	X	
9. ARE ANY OTHER POSTPETITION TAXES PAST DUE?	X	
10. ARE ANY AMOUNTS OWED TO POSTPETITION CREDITORS DELINQUENT?	X	
11. HAVE ANY PREPETITION TAXES BEEN PAID DURING THE REPORTING PERIOD?	X	
12. ARE ANY WAGE PAYMENTS PAST DUE?		X

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "YES," PROVIDE A DETAILED EXPLANATION OF EACH ITEM. ATTACH ADDITIONAL SHEETS IF NECESSARY.

2. As of 11/1/2010, the liquidating plan of the debtors became effective. As such, the bank accounts are no longer DIP accounts

4. Pursuant to Court orders and settlement agreements, payments have been made on prepetition liabilities during the quarter ended 6/30/2011

8. Certain real estate taxes were passed through to the debtors from the landlords. A portion of these real estate taxes is past due.

9. Certain business license taxes that covered both prepetition and postpetition periods were due on or before 3/31/2011 but were not paid.

10. The rent for some store leases owed for the period 11/10/2008 through 11/30/2008 is past due. These payments are being held pursuant to a Court order. In addition, due to the liquidation proceedings, the Trust is currently reconciling amounts due to post-petition creditors, which has slowed creditor payments.

11. Certain property taxes that covered both prepetition and postpetition periods were paid during the quarter ended 6/30/2011.

INSURANCE

	YES	NO
1. ARE WORKER'S COMPENSATION, GENERAL LIABILITY AND OTHER NECESSARY INSURANCE COVERAGES IN EFFECT?	X	
2. ARE ALL PREMIUM PAYMENTS PAID CURRENT?	X	
3. PLEASE ITEMIZE POLICIES BELOW.		

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "NO," OR IF ANY POLICIES HAVE BEEN CANCELLED OR NOT RENEWED DURING THIS REPORTING PERIOD. PROVIDE AN EXPLANATION BELOW. ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSTALLMENT PAYMENTS

TYPE OF POLICY	CARRIER	PERIOD COVERED	PAYMENT AMOUNT & FREQUENCY
Workers' Compensation & Employer's Liability	ACE American Insurance Company	4/1/11 - 4/1/12	\$4,761 paid at inception
General Liability and Non-owned Auto Liability	First Specialty Insurance Corporation	4/1/11 - 4/1/12	\$25,570 paid at inception
Excess Liability	RSUJ Indemnity Company	4/1/11 - 4/1/12	\$31,000 paid at inception
Crime/Fidelity	Starr Indemnity and Liability Company	12/1/10 - 12/1/11	\$35,000 paid at inception
D&O Liability/Errors & Omissions	Indian Harbor Insurance Company	11/1/10 - 11/1/11	\$77,438 paid 12/17/10
D&O Liability/Errors & Omissions	Columbia Casualty Company	11/1/10 - 11/1/11	\$65,047 paid 12/17/10
D&O Liability/Errors & Omissions	American International Specialty Lines Insurance Company	11/1/10 - 11/1/11	\$56,788 paid on 12/17/10
D&O Liability/Errors & Omissions	Continental Casualty Company	11/1/10 - 11/1/11	\$40,000 paid on 12/17/10
D&O Liability/Errors & Omissions	AmWINS Group, Inc	11/1/10 - 11/1/11	\$35,105 paid on 12/17/10
D&O Liability/Errors & Omissions	Lloyd's of London	11/1/10 - 11/1/11	\$26,406 paid on 12/17/10
D&O Liability/Errors & Omissions	AmWINS Group, Inc	11/1/10 - 11/1/11	\$16,500 paid on 12/17/10
Runoff D&O - Primary	Charis	11/1/10 - 11/1/16	\$114,726 paid at inception
Runoff D&O - Layer 1	Starr Indemnity and Liability Company	11/1/10 - 11/1/16	\$63,342 paid at inception
Runoff D&O - Layer 2	CNA	11/1/10 - 11/1/16	\$55,000 paid at inception
Runoff D&O - Layer 3	Valiant Insurance Group	11/1/10 - 11/1/16	\$45,900 paid at inception
Runoff D&O - Layer 4	Starr Indemnity and Liability Company	11/1/10 - 11/1/16	\$27,950 paid at inception
Runoff D&O - Layer 5	Charis	11/1/10 - 11/1/16	\$22,945 paid at inception
Runoff D&O - Primary	CNA	12/1/08 - 12/1/14	\$1,177,500 paid at inception
Runoff D&O - Layer 1	Chubb Group	12/1/08 - 12/1/14	\$487,500 paid at inception
Runoff D&O - Layer 2 (Year 1)	Great American Insurance Group	12/1/08 - 12/1/14	\$240,000 paid at inception
Runoff D&O - Layer 2 (Years 2 - 6)	Axis Insurance	12/1/08 - 12/1/14	\$240,000 paid at inception
Runoff D&O - Layer 3	Travelers	12/1/08 - 12/1/14	\$822,000 paid at inception
Runoff D&O - Layer 4	Axis Insurance	12/1/08 - 12/1/14	\$698,700 paid at inception
Runoff D&O - Layer 5	RSUJ Group, Inc	12/1/08 - 12/1/14	\$589,050 paid at inception
Runoff D&O - Layer 6	Arch Insurance Group	12/1/08 - 12/1/14	\$540,000 paid at inception
Runoff D&O - Layer 7 (Side A DIC)	XL Insurance	12/1/08 - 12/1/14	\$1,275,000 paid at inception
Runoff D&O - Layer 8	Chubb Group	12/1/08 - 12/1/14	\$375,000 paid at inception
Property - All Risk	Sentinel Insurance Co., Ltd	8/15/10 - 8/15/11	\$944 paid at inception